



AN ECONOMIC BLUEPRINT FOR AMERICA

The budget conference report reflects President Obama's economic plan, a blueprint for economic recovery and new jobs now—and sustainable economic growth and prosperity for years to come.

For the first time in years, we will have an honest budget that:

- **creates jobs** with targeted investments in **affordable health care, clean energy, and education**
- **cuts taxes for middle-income families** by more than \$1.7 trillion over 10 years
- **cuts the deficit by nearly two-thirds** in four years
- **cuts non-defense discretionary spending** as a percent of the economy

INVESTING IN OUR FUTURE

The budget conference report makes strategic investments to rebuild our economy over the longer term, including investments in health care reform, education, and clean energy.

- **Affordable Health Care:** Our budget creates a deficit-neutral reserve fund for health care reform. It also provides reconciliation instructions as a fallback option to consider health care reform in the event Congress has not acted by the fall (if necessary, requiring committees to report a reconciliation bill by October 15).
- **College Affordability:** Our budget creates a deficit-neutral reserve fund for a College Affordability Initiative. It also provides reconciliation instructions as a fallback option to consider this initiative in the event Congress has not acted by the fall (if necessary, requiring committees to report a reconciliation bill by October 15).
- **Clean Energy:** Our budget also creates a deficit-neutral reserve fund to promote energy independence, calling for investments in energy efficiency and clean energy to launch a sustainable era of job creation and make America a global technology leader once again.

TAX FAIRNESS

The budget conference report:

- **Cuts taxes for middle income families by more than \$1.7 trillion over 10 years**
- The cuts include an extension of the 2001 and 2003 income tax cuts for the vast majority of Americans
- The Making Work Pay tax cut for 95% of American workers—one the fastest and broadest tax cuts in history—is fully in place for two years as part of the American Recovery and Reinvestment Act, and can be continued as the economy grows, if the costs are offset

ENDING AN ERA OF IRRESPONSIBILITY

It will take some time to turn around the fallout from the failed policies of the last eight years under President Bush, including:

- **a record surplus** of \$5.6 trillion over 10 years under President Clinton ... **turned into record deficits** of \$5.8 trillion under President Bush
- the national debt doubled, and the amount of debt held by foreign countries tripled
- **the smallest rate of job growth in three-quarters of a century**
- flat wages, and more Americans living in poverty and without health insurance

RESTORING FISCAL RESPONSIBILITY

The budget conference report:

- **cuts the deficit by nearly two-thirds** in four years (by 2013), and even further by 2014
- **is the key vote in Congress that reduces the deficit**
- **pares the Bush deficit from 12% of our GDP to just 3% in 2014**
- **reduces non-defense discretionary spending \$10 billion below the President's proposed budget** for 2010 and continues restraint in the following years
- **puts us on a path to cutting non-defense discretionary spending to its lowest level** as a percent of the economy **in nearly half a century**
- **takes steps to reduce health care costs, one of the largest contributors to the deficit**, and a growing burden on our businesses' ability to compete and on our families' prosperity.

HONEST ACCOUNTING

The budget conference report marks the beginning of a new era of honesty in budgeting, finally accurately representing costs like the wars in Iraq and Afghanistan and emergency disaster aid. Previous budgets masked these costs to make the deficit appear smaller.